

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

--	--	--	--	--	--	--	--	--	--

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2017/2018

BIB 3114 – ISLAMIC BANKING

(All sections / Groups)

14 OCTOBER 2017
9.00 a.m. - 11.00 a.m.
(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This Question paper consists of 2 pages with 4 Questions only.
2. Answer all questions. All questions carry equal marks and the distribution of the marks for each question is given.
3. Please print all your answers in the Answer Booklet provided.

Question 1 (25 Marks)

As a branch manager, you are given the following information as per table below . From the data that you gathered, the total weighted proportion of profit for all deposits and investment accounts is RM992,944,734.77 and the CD pool of profit is RM8,019,349.62.

TYPES OF DEPOSIT	MONTHLY AVERAGE DAILY BALANCE (RM)
SAVINGS ACC	412,008,011.55
INVESTMENT ACC	
1 month	73,890,066.34
3 months	135,890,786.77
6 months	91,890,899.35

Based on these information, calculate the return per annum for the following questions and conclude them in the table:

- i) Savings account; if the profit is shared equally among depositors and bank.
(6 marks)
- ii) Investment account; if the profit among depositors and bank is 70:30 respectively.
(19 marks)

Question 2 (25 Marks)

- (a) Briefly explain the differences between Al-Bai Bithaman Ajil and Murabahah. Illustrate these differences in a repayment method and duration of financing chart.
(10 marks)
- (b) Islamic lease or Ijarah means to obtain good or service on rent. Explain and illustrate with a diagram the process of Ijarah operating lease with three parties, whom are the lessor, vendor and lessee. Assuming the bank's customer intend to lease a car for four years.
(15 marks)

Continued...

Question 3 (25 Marks)

- (a) Explain seven differences between Mudharabah and Musyarakah in terms of the following:
- (i) Capital
 - (ii) Management of the business
 - (iii) Profits
 - (iv) Losses
 - (v) Liability
 - (vi) Ownership of assets
 - (vii) Liquidation of assets
- (20 marks)
- (b) What are the two types of Mudharabah deposits? Briefly explain.
- (5 marks)

Question 4 (25 Marks)

- (a) What are the two contracts being applied to Islamic Letters of Credit? Explain the process of a wakalah Letter of Credit.
- (12 marks)
- (b) Islamic banks invest in Islamic Debt funds to avoid total dependent on loan income and to increase return on investment. Explain three fundamental differences between Islamic debt funds and conventional bond funds.
- (13 marks)

End of Page